

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF OKLAHOMA**

BOLLENBACH ENTERPRISES LIMITED  
PARTNERSHIP,  
on behalf of itself and all others similarly  
situated,

Plaintiff,

vs.

OKLAHOMA ENERGY ACQUISITIONS LP;  
ALTA MESA SERVICES, LP; and ALTA  
MESA HOLDINGS, LP  
(including affiliated predecessors and affiliated  
successors),

Defendants.

Case No. 5:17-CV-00134-HE

**PLAN OF ALLOCATION AND DISTRIBUTION ORDER**

This Plan of Allocation and Distribution sets forth the general manner in which the Net Settlement Amount will be administered and distributed to Class Members. The Net Settlement Amount for Distribution will be allocated to each Class Member based on the factors and considerations set forth herein.

**I. Plan of Allocation**

The Net Settlement Amount for Distribution will be allocated among Class Wells and individual Class Members based upon the following primary considerations and variables: The quantity of ownership in royalty interests owned by the payee in Class Wells, the volume of gas and constituents sold from the producing Class Well or Wells attributable to the royalty interests of

the payee, the oil and gas lease royalty provisions, if any, that apply to the royalty interests of the payee, and the extent to which affiliate transactions were involved with the disposition of production by Alta Mesa with respect to the wells in which the payee owns interests,

- a. Express Deduction Leases are those that expressly authorized Alta Mesa to take midstream deductions. The parties have categorized the leases between Express Deduction and Non-Express Deduction, and the Settlement Administrator will post on its website the list of royalty owners (by royalty owner number only) subject to an Express Deduction lease.
- b. Affiliate Sales are gas contracts between Alta Mesa and ones of its affiliated companies. The parties have categorized the gas contracts between affiliate and non-affiliate, and the Settlement Administrator will post on its website the list of royalty owners (by royalty owner number only) subject to an affiliate gas contract.
- c. Each individual Class Member's allocated share of the Net Settlement Amount for all Class Wells will be paid together.

For Class Wells, the Alta Mesa royalty paydeck for the production month of June 2017 shall be used for distribution, subject to fair inquiry and correction for good cause shown.

If a Class Well was plugged (or sold) during the time period covered by this Settlement, then the amount allocated to that well shall be paid to current royalty owners in the same gas production or proration unit as of June 2017 to the extent possible, and the Settlement Administrator will utilize royalty owner records and, to the extent available, computer databases to attempt to identify Class Members, ownership interests, and volumes and to prepare and administer this Plan of Allocation and Distribution.

The distribution described above to Class Members is based upon the following assumptions: (a) that very few sales of royalty interests in Class Wells have occurred during the time period covered by this Settlement; (b) that where sales did occur, the parties intended for the buyer to receive payment for past claims; and (c) that where royalty interest passed through inheritance, devise or inter-family transfers, it was the intent that the heir, devisee, or transferee receive payment

for past claims. To the extent these assumptions are not correct in relation to particular transfers of interests, the Court hereby Orders that the Class Member who receives payment shall in turn make payment to the proper party.

## **II. Time for Allocation and Distribution**

The allocation and distribution of the Net Settlement Amount for Distribution shall be under the direct supervision of the Settlement Court and shall be accomplished as follows:

(1) Within ten (10) business days after the Settlement Court approves this Plan of Allocation and Distribution Order, the Settlement Administrator shall prepare a draft summary final distribution for review by Class Counsel and the Class' experts that assumes the Settlement Court will award a combined thirty-six percent (36%) of the Settlement Proceeds for Class Counsel's Fees and Expenses. Thereafter, Class Counsel shall: (i) have the Class' experts and consultants review the draft summary final distribution; and (ii) obtain the Settlement Court's approval of the summary final distribution at the Settlement Fairness Hearing.

The summary final distribution shall have one line for each putative Class Member and shall reflect the royalty owner number only and share of distribution on a well-by-well basis. The summary final distribution shall also include a schedule showing the amount allocated to each Class Well and how that amount is to be distributed among the royalty owners in that well.

Alta Mesa shall cooperate with Class Counsel and the Class' experts and consultants to verify the accuracy of the summary final distribution, including providing the information upon which the distribution calculations are based, essentially the pay decks, division decks, and tax identification number (all confidentially) as of production from June 2017. Class Counsel shall post on the website a "preliminary" net distribution amount for each Class Member showing only

the Alta Mesa royalty owner number to provide anonymity for Class Members. The Express Deduction and affiliate sales postings will be done at the same time.

(2) When the Judgment becomes Final and Non-appealable, the names, addresses, and amounts of Distribution Checks for each Class Member will be determined by the Settlement Administrator in accordance with this Plan of Allocation and Distribution Order, subject to confirmation by Class Counsel. Within forty-five (45) days after the date the Judgment becomes Final and Non-Appealable, the Settlement Administrator shall issue and mail, or cause to be mailed, Distribution Checks to Class Members who have been identified along with a 1099. The Distribution Checks shall include line entry detail of the Class Member's distribution amount on a well-by-well basis. With each payment, the Settlement Administrator must include the notice as specified in paragraph 1.6 of the Settlement Agreement.

(3) Upon Settlement Administrator depositing the Distribution Checks in the United States Mail, or causing them to be so deposited, the Class Representative and each member of the Settlement Class (except for Class Members who opt-out) shall be deemed to have, and by operation of the Judgment shall have, fully, finally and forever released, relinquished, and discharged all Released Parties from all Released Claims accruing at any time prior to the Release Date, and shall be forever barred and estopped from asserting any of the Released Claims against any of the Released Parties.

(4) Within three (3) business days of the date the Judgment becomes Final and Non-Appealable, the Settlement Administrator shall pay the amount or amounts of Class Counsel's Fees and Expenses that the Settlement Court awards from the Settlement Proceeds. The Settlement Administrator shall make such payment by wire transfer in accordance with written payment instruction to be provided to the Settlement Administrator by Class Counsel. Alta Mesa shall have


no responsibility or liability for allocating the amount paid among the Class Representative, Class Counsel, expert witnesses, vendors, or other persons entitled to a share of Class Counsel's Fees and Expenses, or for assuring that any such persons receive their proper share of the amount paid. In no event shall Alta Mesa be required to pay Class Counsel's Fees and Expenses out of its own funds, except as part of paying the Settlement Proceeds from which those fees and expenses are being deducted.

(5) Within ten (10) days of the mailing of the settlement Distribution Checks, the Settlement Administrator shall provide Class Counsel a check register in the form of an electronic spreadsheet, reflecting the distribution by amount paid, owner number, owner name, and owner address. Within thirty (30) days after the Settlement Administrator issues and mails the Distribution Checks, it shall file this check register with the Settlement Court (under seal).

(6) Within one hundred twenty (120) days following the date reflected on the Distribution Checks, the Settlement Administrator shall file a reconciliation of the distribution of the Settlement Proceeds. That reconciliation shall describe any Undistributed Proceeds.

**IT IS SO ORDERED.**

Dated this 12th day of March, 2018.

  
JOE HEATON  
CHIEF U.S. DISTRICT JUDGE